

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WALTER A. ODENWALD, JR.)	
)	
COMPLAINANT)	
)	
v.)	CASE NO. 94-074
)	
KENTUCKY-AMERICAN WATER COMPANY)	
)	
DEFENDANT)	

O R D E R

On February 22, 1994, Walter Odenwald, Jr. filed with the Commission a complaint against Kentucky-American Water Company ("Kentucky-American"). In his complaint, Mr. Odenwald alleged that he had been overbilled for service in the approximate amount of \$1,354.00. By Order dated February 25, 1994, the Commission directed Kentucky-American to either satisfy the matter or file its answer to the complaint. On March 8, 1994, Kentucky-American filed its answer stating the September 20, 1993 meter reading indicated Mr. Odenwald had consumed 94,700 cubic feet of water since June 17, 1993 (the last time the meter had been read). Kentucky-American sent Mr. Odenwald a bill in the amount of \$1,399.53 and issued a work order directing its employees to inspect the facilities utilized in servicing the account. The facilities were inspected a few days later and the meter showed that an additional 3,071 cubic feet of water had passed through it. After crediting Mr. Odenwald's account for amounts received and deducting a pro rata portion of the bill because the Complainant was not properly notified of the abnormal consumption, Kentucky-American determined

it was due \$724.51. A hearing was held on the complaint before the Commission on May 17, 1994 at which both parties appeared.

Findings of Fact

Kentucky-American owns, controls, and operates facilities used in diverting, pumping, distributing, and furnishing water to the public for compensation. Its principle offices are located in Lexington, Kentucky. Mr. Odenwald is a customer of Kentucky-American who resides in Lexington.

Kentucky-American bills its customers quarterly based on the volume of water they consume. The volume is measured by individual water meters assigned to each customer. Kentucky-American tests each meter periodically to ensure its accuracy.

In September 1993, Mr. Odenwald received a water bill for \$1,399.53. The bill, which was approximately \$1,354.00 higher than his normal bill, was based on consumption of 94,700 cubic feet of water consumed during the period June 17, 1993 to September 20, 1993.

After Mr. Odenwald's meter was read in September and the abnormal usage noted, Kentucky-American issued a "red tag order." Red tag orders are issued whenever the company gets a reading which is larger than a predetermined range for that customer. A service inspector of Kentucky-American, William Buckner, was sent to the Odenwald residence to re-read the meter and inspect for leaks. The inspector found no evidence of any leaks at the meter, or elsewhere throughout the property, nor was any water flowing through the meter.

When Mr. Odenwald first received his bill, he contacted Kentucky-American and requested someone inspect his property and

reread his meter. Kentucky-American did not send Mr. Buckner to the property for several days after that request. Therefore, Mr. Odenwald contacted an independent plumber to excavate his service line and repair any leaks found. There was no evidence of a leak at any point along the 62 foot line. Mr. Odenwald paid to have new pipe installed at that time. He stated he replaced the line even though there was no evidence of a leak because the line was comprised of 40-year old galvanized steel material and it only cost \$250 more to replace it. He wanted to ensure he did not experience any more problems with his water service.

The excavated water line was left on the property when Mr. Buckner performed his inspection. Mr. Buckner stated he should have found some evidence of such a massive water leak and that it was unexplainable that he could find no evidence.

On March 2, 1994, Mr. Odenwald's meter was tested. His meter had been removed on February 20, 1994 and replaced with an electronic model as part of a general meter upgrade by the utility. According to the test, the meter registered accuracy levels of 97.5 percent, 100.5 percent, and 99.95 percent, which are within accepted standards of accuracy prescribed by Commission regulations.

Conclusions of Law

Kentucky-American is a utility subject to the jurisdiction of this Commission. As a utility it is required to charge its customers for all water delivered to them through its meters. The question here is whether the volume of water registered on the meter was used by Mr. Odenwald. After weighing all the evidence,

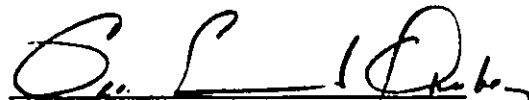
the most reasonable conclusion is that Mr. Odenwald did not receive the water and that his quarterly bill should be adjusted.

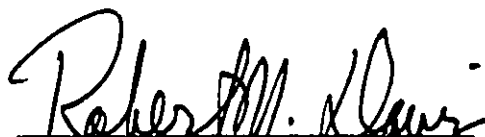
Particularly important to the Commission's decision is the lack of any evidence of a leak after the abnormal reading on September 20, 1993. According to his meter, Mr. Odenwald consumed approximately 710,000 gallons of water in a 90-day period. That translates to over five gallons of water per minute. It is inconceivable that a leak producing such a large volume of water would occur undetected and leave no trace of its existence. Therefore, while the cause for the excessive reading is not known, it should not be attributed to a leak at Mr. Odenwald's residence and his bill for the period should be adjusted based on his normal consumption.

IT IS THEREFORE ORDERED that Kentucky-American adjust Mr. Odenwald's bill for the period of time from June 17, 1993 to September 20, 1993 based on his average quarterly consumption during his residence at his current address.

Done at Frankfort, Kentucky, this 8th day of August, 1994.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner